

REFERENCE TITLE: **retirement; sick leave payments**

State of Arizona
Senate
Forty-ninth Legislature
First Regular Session
2009

SB 1250

Introduced by
Senator Paton

AN ACT

AMENDING SECTION 38-615, ARIZONA REVISED STATUTES; RELATING TO PAYMENTS FOR ACCUMULATED SICK LEAVE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 38-615, Arizona Revised Statutes, is amended to
3 read:

4 38-615. Payment for accumulated sick leave: requirements;
5 limit: definition

6 A. An officer or employee of ~~the~~ THIS state, subject to legislative
7 appropriation, or an officer or employee of a county, subject to
8 authorization by the board of supervisors, is eligible, on retirement, to
9 receive benefits as follows:

10 1. An officer or employee who has at least five hundred but less than
11 seven hundred fifty hours of sick leave ~~shall~~ IS ENTITLED TO receive payments
12 equal to twenty-five per cent of the officer's or employee's salary at the
13 officer's or employee's current hourly rate for each hour of accumulated sick
14 leave.

15 2. An officer or employee who has at least seven hundred fifty but
16 less than one thousand hours of sick leave ~~shall~~ IS ENTITLED TO receive payments
17 equal to thirty-three per cent of the officer's or employee's salary
18 at the officer's or employee's current hourly rate for each hour of
19 accumulated sick leave.

20 3. An officer or employee who has at least one thousand hours of sick
21 leave ~~shall~~ IS ENTITLED TO receive payments equal to fifty per cent of the
22 officer's or employee's salary at the officer's or employee's current hourly
23 rate for each hour of accumulated sick leave not to exceed one thousand five
24 hundred hours of accumulated sick leave.

25 B. ~~An officer or employee who receives payments as provided in
26 subsection A of this section shall not receive more than thirty thousand
27 dollars. If an officer or employee receives payments pursuant to subsection
28 A of this section, the officer or employee shall be paid the amount due the
29 officer or employee in installments over a three year period.~~

30 B. IN ORDER TO BE ELIGIBLE TO RECEIVE PAYMENTS PURSUANT TO
31 SUBSECTION A OF THIS SECTION:

32 1. AN OFFICER OR EMPLOYEE MUST ESTABLISH A RETIREMENT DATE NOT LATER
33 THAN THIRTY-ONE DAYS AFTER TERMINATION OF EMPLOYMENT BY QUALIFYING WITH AN
34 AUTHORIZED RETIREMENT SYSTEM OR PLAN OF THIS STATE.

35 2. THE RETIREMENT DATE MUST BE EFFECTIVE NOT LATER THAN THIRTY-ONE
36 DAYS AFTER TERMINATION OF EMPLOYMENT.

37 3. AN OFFICER OR EMPLOYEE SHALL ELECT RETIREMENT BENEFITS THAT ARE
38 DEFINED NOT LATER THAN THIRTY-ONE DAYS AFTER TERMINATION OF EMPLOYMENT.

39 C. AN OFFICER OR EMPLOYEE WHO RECEIVES PAYMENTS AS PROVIDED IN
40 SUBSECTION A OF THIS SECTION SHALL NOT RECEIVE MORE THAN THIRY THOUSAND
41 DOLLARS.

42 D. IF AN OFFICER OR EMPLOYEE RECEIVES PAYMENTS PURSUANT TO
43 SUBSECTION A OF THIS SECTION, THE OFFICER OR EMPLOYEE SHALL BE PAID THE
44 AMOUNT DUE THE OFFICER OR EMPLOYEE EITHER IN A LUMP SUM OR IN INSTALLMENTS
45 OVER A THREE YEAR PERIOD.

1 ~~E.~~ E. If an officer or employee dies before the officer or employee
2 receives the total payment due to the officer or employee or if an officer or
3 employee is eligible for normal retirement but has not retired at the time of
4 the officer's or employee's death, the officer's or employee's beneficiary
5 ~~shall~~ IS ENTITLED TO receive the balance due to the officer or employee in a
6 lump sum.

7 ~~D.~~ F. Notwithstanding any other law:

8 1. The cash value of the sick leave credit pursuant to subsection A of
9 this section shall not be used to compute the average salary.

10 2. The payment authorized by this section for accumulated sick leave
11 is not salary or compensation for the purposes of making retirement
12 contributions or computing any pension benefit.

13 3. THE SICK LEAVE MUST BE AVAILABLE FOR USE BY THE OFFICER OR EMPLOYEE
14 AT THE TIME OF TERMINATION OF EMPLOYMENT. THIS SECTION DOES NOT APPLY TO
15 PREVIOUSLY FORFEITED SICK LEAVE.

16 ~~E.~~ G. ~~The provisions of~~ This section ~~apply~~ APPLIES to an officer or
17 employee of ~~the~~ THIS state or a county who is eligible to participate in the
18 Arizona state retirement system as provided in chapter 5, article 2 of this
19 title, in the public safety personnel retirement system as provided in
20 chapter 5, article 4 of this title, in the corrections officer retirement
21 plan as provided in chapter 5, article 6 of this title or in an optional
22 retirement program established by the Arizona board of regents pursuant to
23 section 15-1628.

24 ~~F.~~ H. This section applies retroactively to July 1, 1998 to an
25 officer or employee of a university under the jurisdiction of the Arizona
26 board of regents who participates in a federal retirement system, except that
27 this section does not apply to a participant in a federal retirement system
28 if the participant receives any sick leave payment from the federal
29 government.

30 ~~G.~~ I. ~~The provisions of~~ This section ~~shall apply~~ APPLIES only to
31 officers or employees of ~~the~~ THIS state or a county whose compensation
32 regulations provide for a forfeiture of sick leave on retirement.

33 ~~H.~~ J. For the purposes of this section, "hourly rate" means an
34 officer's or employee's hourly salary on retirement, excluding overtime pay
35 and pay for unused annual leave.